# APPRENTICESHIP TRAINING AND WEALTH CREATION IN SOUTH EAST NIGERIA

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**Abstract**
*The study is on apprenticeship training and wealth creation in Southeast Nigeria. The apprenticeship system has long been an integral part of the economic and social fabric of Southeast Nigeria. Currently, the youth are interested in getting rich quickly instead of serving as apprentices. The objectives are to ascertain if apprenticeship training and expert trade knowledge are significantly related and if there is a relationship between financial literacy and business growth. The study adopted a survey research design that describes the items and people under investigation as they exist in their normal setting as a representative of the entire group. Data were collected with an instrument of structured questionnaires from 15 markets selected across the southeast of Nigeria that were used as a study with a population of 9806 masters (with apprentices serving them). Using the Taro Yamane formula, the sample size was estimated at 384 masters, and using the sample proportionate formula, the sample size was distributed across the markets. Simple random sampling and criterion-purposive sampling techniques were adopted to select the sample population. 384 questionnaires were distributed, and 276 representing 72% were returned and analysed. A descriptive statistic was used to analyse the questionnaire according to research questions and Pearson Product-Moment Correlation Coefficient statistical tool was applied with the use of the Software Package for Social Science (SPSS) to test the hypotheses.*

***Keywords:*** *Apprenticeship, Training, Expert Knowledge, Business Growth, Wealth creation, Igbo Apprenticeship System*

## Introduction

The emergence of apprenticeship predated the medieval era as a strategic tool for inter-generational transmission of knowledge and skills crucial to human development (Nnonyelu&Onyeizubge 2020, Rufai, Assim&Iroh 2019, Mokyr 2018, Doepke 2017). It is a common practice in the traditional setting to see people engage in a vocation such as farming, fishing, hunting, carving, carpentry, sculpting, painting, building, smiting, boat making, mat-making, dyeing, and so on (Kanu, 2019; Onwuzulugbo, 2012). Apprenticeship is so vital that it makes workmanship available for industrialization, on which the economic success of the Industrial Revolution rests (Doepke, 2018). Doepke, (2018) showed that the task of converting blueprints into feasibility machines and the ingenuity envisioned during the Industrial Revolution couldn't have been possible without the strong system of apprenticeship jealously guarded in Britain by the "Guilde Society".

The apprenticeship system is a human resources development scheme that blends learning and training to prepare individuals to set up, own, and run independent businesses. Apprenticeship is an age-long system practiced worldwide and very popular in southeast Nigeria because it was the main source of start-up for people after the Nigeria-Biafra Civil War between 1967 and 1970 (Alike &Orjiofor-Umunze 2019, Kanu 2019, Rufai, et al. 2019, Mpi 2017).

Chinwuba and Ezeugwu (2017) state that the success of the Igbo Apprenticeship System has been responsible for the vast wealth created by the people from the South-East States of Nigeria. The creation of wealth is courtesy of human capital development arising from learning and training that end in the establishment of businesses by the apprentices. The wealth is attributable to the circle nature of the system, whereby after the apprentices have been settled, they pick others who have graduated at different levels of education (primary, secondary, or tertiary) from their families or communities for apprenticeship. Often, successful completion of the apprenticeship training without a negative report from the master is a source of pride for the apprentice and a basis for a good settlement—the provision of funds and other assistance to the apprentice to start his own business. In the Igbo language, the "Oga" is the master, while the apprentice is "Nwaodibio," and the system is "Igbaodibio." Invariably, apprenticeships have been a major source of wealth creation for most flourishing businesses in the southeast, but recently they are losing their place in business, and the commitment of both the masters and apprentices is no longer effective. This has affected wealth creation in many trade and craft businesses adversely.

The specific objectives of the research are:

1. To ascertain if apprenticeship training and expert trade knowledge are significantly related.
2. To examine the relationship between financial literacy and business growth.

In the course of the research, the researcher will sort answers to these questions:

1. To what extent is apprenticeship training significantly related to expert trade knowledge?
2. What is the relationship between financial literacy and business growth?

The following null hypotheses were formulated:
**$HO_1$**: Practical training is not significantly related to expert trade knowledge.
**$HO_2$:** Financial literacy has no significant relationship with business growth.

## Review of Related Literature

## Conceptual Review

### The Apprenticeship System

In the absence of an organized labour market for apprentices, recruitment of apprentices is undertaken through informal discussions between the master and his neighbours, customers, or relatives (Kanu, 2020). The goodwill of the master not only helps in attracting patrons and hence business success, but parents or sponsors who have interacted with the master base their judgment of his ability to train their children on such considerations (Alike and Orjiofor-Umunze, 2019). The most common practice by which apprentices are recruited is by a parent approaching the master or the master discussing his needs with neighbours, patrons, or relatives (Kanu, 2020). Once recruited, an apprentice within the business is not regarded as a worker with definite hours of work. Rather, he is seen as part of the master's household and is expected to perform activities unrelated to his training.

For example, according to documented complaints by apprentices, they were often made to serve as house servants to their masters' wives. It was observed during this study that for many masters, there is no separation between business and family or social interests. Rather, the two are closely related. Masters may take time off from their duties to attend to family problems; they may also send one of their apprentices to perform duties or services in their households, duties unrelated to the training program. Apprenticeship training, in most cases, is viewed as not only training a child to acquire skills but as part of the larger process of bringing him up (Kanu, 2020). One important facet of this is that the responsibility of bringing up the child is transferred from the parents or sponsors to the master. This cannot be otherwise because apprentices generally stay at their master's home and workshop (Doekpe, 2017).

### The Igbo Apprenticeship System

Kanu (2019) refers to the apprenticeship system in southeast as the “Igbo Apprenticeship System,” and Cresent (2019) defined the Igbo Apprenticeship System as an unpaid business apprenticeship/incubator model that lets people learn business from a master for some years (5–8), depending, and at the end of their apprenticeship tenure, get cash infusions and support to start their own business.

The master settles the apprentice(s) with a seed capital infusion to start his own business from the profit made over the years of apprenticeship; Robert Newwrith (2018) called it the “sharing principle.”

This principle is simple: an apprentice learns the trade, masters the rudiments of the trade, and offers services to the master for an agreed-upon period of time. Upon

completion of the agreed period, the apprentice stewardship is evaluated, and if found worthy, he is settled with either:

1. Cash
2. Goods
3. Rent payment for business premises (Chinweuba and Ezeugowu 2017) or a combination of any two or the three. The principle creates trust and love, which are the bedrock of the practices.

**Organization of training**

The organization of training in the Igbo Apprenticeship System can be described as informal. The entire training is carried out on the job. A hierarchy of authority is established in each business. The master delegated authority to the oldest apprentice or journeyman, who then delegated part of the authority to the next apprentice, and so on down the line (Alike and Orjiofor-Umunze, 2019).

The Igbo Apprenticeship System is an informal and unstructured training programme, scheduled for an agreed period, that a person undergoes to acquire a desirable part of an entrepreneurship skill (Kanu, 2020; Alike &Orjiako-Umunze, 2019; Orugun&Nafiu, 2014). It's an unpaid business apprenticeship/incubator model that lets people learn business from a master for a certain number of years (5–8 years) depending, and at the end of their apprenticeship period, get cash infusion and support to start their own business. There are no salaries paid to apprentices during the time of apprenticeship, but meals, clothing, and transport fares are provided by the master to the apprentices (Kanu 2019).

It is also a practice where a well-known business owner takes on an adolescent or young person (often from a less privileged home) to raise and train him in the practical and economic part of their trade or art. Over time, the apprentice will become a competent practitioner of the master trade (Alike &Orjiofor-Umunze, 2019).

**Financial literacy**

Financial literacy and financial knowledge are both human capital but different constructs. Financial knowledge is an integral dimension of, but not equivalent to, financial literacy. Financial literacy has an additional dimension, which is that an individual must have the ability and confidence to use his/her financial knowledge to make financial decisions that will bring financial success. When developing an instrument to measure financial literacy, it would be important to determine not only if a person knows the information but also if he/she can apply it appropriately. In addition, it seeks to determine whether knowledge of financial literacy can lead to better and more informed decisions, which will improve one's wellbeing. (Huston

2010). Financial literacy consists of both knowledge and the application of human capital specific to personal finance.

Financial literacy is a component of human capital that can be used in financial activities to increase expected lifetime utility from consumption (i.e., behaviours that enhance financial wellbeing). Other influences (such as behavioural/cognitive biases, self-control problems, family, peer, economic, community, and institutional) can affect financial behaviours and financial wellbeing.

**Wealth Creation**

Wealth is created by a business organization that provides a unique value to its environment by adding more value to its outputs than the cost of all resources used to produce those outputs. Wealth requires uniqueness and efficiency. If the offering is unique and efficiently produced, wealth is the result.

Arrow, Dasgupta, Goulder, Mumford, and Oleson (2010) defined comprehensive wealth as "the social worth of an economy's entire productive base," which "consists of the entire range of factors that determine inter-generational well-being." Wilkerson and Williams (2011) assert that the creation of wealth requires savings, investments, and a willingness to forgo consumption in the present for increased well-being. It is also argued that there is a need for the identification, financing, and implementation of socially profitable investments through a continuous learning process. Wealth creation combines asset and liability inputs to capture a profit. When there is a change in the environment that makes the object in that environment more valuable, it creates wealth. The Igbo Apprenticeship System creates wealth by taking an adolescent or young adult as an apprentice and converting them into masters (Kanu, 2020; Nonyelu&Onyeizugba, 2020; Mpi, 2020; Kanu, 2019; Ejo-Orusa&Mpi, 2020).

**Trade Knowledge**

In order for the apprentices to succeed in the world of business, they must know about the trade secret to maintain quality, manage costs, and reduce risk. Knowledge is the key to a profitable and successful business, as it serves as a fundamental basis for future trading. Knowledge helps traders understand the trade secret, and it gives a lot of information regarding trading that is useful in practice (Jong & Soon, 2015).

Apprentices' level of formal education is presumed to help them understand the trade secret, but the findings of Udu (2015) revealed that the educational qualifications of apprentices have nothing to do with apprentice activities. Trade knowledge is about understanding the secrets and processes associated with a trade. An apprentice's level of education may affect their ability to assimilate trade secrets and tacit knowledge.

## Business Growth

Growth is the product of an internal process in the development of an enterprise and an increase in quality and/or expansion. "Growth is defined as a change in size during a determined time span" (Dugguh, Aki, & Isaac, 2018).

According to Janssen (2009), a company´s growth is essentially the result of the expansion of demand for products or services. It first results in a growth in sales and investments in moreproduction factors to adapt to new demands. However, signs of growth in any organization are: an increase in sales, an increase in the number of employees, an increase in profit, an increase in assets, an increase in the firm´s value, and internal development. Internal development comprises the development of competences, organizational practices for efficiency, and the establishment of a professional sales process.

Brush, Ceru, and Blackburn (2009) define growth as "geographical expansion, an increase in the number of branches, the inclusion of new markets and clients, an increase in the number of products and services, fusions, and acquisitions." According to these authors, growth is above all a consequence of certain dynamics built by entrepreneurs to construct and reconstruct constantly, based on the assessments made of their firms and the market. Entrepreneurs are not the sole vectors since there are many other agents involved, such as clients, kin, suppliers, and others. Growth is a "socially constructed factor" (Dugguh et al., 2018).

## Theoretical Review

## Human Capital Theory by Gary Becker (1964)

This research is anchored on the Human Capital Theory postulated by Becker (1964). It suggests that investments in education and training contribute to an individual's productivity and earning potential. In the context of the apprenticeship system, apprentices acquire valuable skills, knowledge, and experience that enhance their human capital. This increased human capital, in turn, enables them to create wealth through improved productivity, higher earnings, and increased entrepreneurial opportunities. The theory is based on the notion that an investment in a human being today has a payoff in the future.

The adoption of the human capital theory is justified by the awareness that investment in training (education) is one of the most important human activities that determines lifetime outcomes on the micro-economic level and the economic performance of society on the macro-level.

**Empirical Review**

Obunike (2016) looked into "induction strategy of Igbo entrepreneurs and microbusiness: a study of household equipment lines, main market, Onitsha, Nigeria." The study focuses on "Igba-Odibo" (traditional business school). The researcher administered 300 questionnaires to the business owners with a population of over 500, and 180 were returned, out of which 73 were invalid, and the researcher worked with the valid questionnaire of 107. The data collected were tested using frequency tables, percentages, Pearson product moment correlation analysis, and regression analysis. The results show a positive correlation between IgbaOdibo, marketing, and business networking, and the second result of the hypothesis shows that IgbaOdibo has a positive relationship with business profitability. The research work recommends the formalization of the Igbo apprenticeship system.

Onyima et al. (2013) studied the "effects of apprenticeship and social capital on the new business creation process of entrepreneurs." The researchers used 40 businesses in Wukari LGA, in Taraba State, established by Igbos, which were randomly selected, and five Likert-scale questionnaires were used in generating responses. The findings revealed that social capital is vital for new businesses, and the study recommends that apprenticeship practices be reviewed and modernized, and ethnic-based unions should be given legal recognition and restricted from playing both social and economic roles.

Orugun and Nafiu (2014) worked on "an exploratory study of Igbo entrepreneurial activity and business success in Nigeria as the Panacea for economic growth and development." The study made use of primary and secondary data. The main tool for data collection is a questionnaire on a 5-point Likert scale. The study was carried out using samples of small businesses from Sango-Ota, Ifo, Oshodi, and Apapa. The study revealed that Igbo entrepreneurial activities are a panacea for Nigeria's economic growth and development. The study recommends that the Igbo entrepreneurship culture should be embraced for economic development.

Udu (2015) investigates the "nexus between apprenticeship orientation and the performance of microbusiness in Ebonyi State, Nigeria." The study is required because, in the world of work, apprenticeship has been a smooth means of inculcating requisite skills and trades in apprentices, but the benefits micro-businesses drive from apprenticeship have not been explored adequately. The Bandura (1963) social learning theory was used to better understand the topic. The researcher used exploratory survey research, with a population of 52,291 and a sample size of 301 firms chosen and administered with a structured questionnaire. The analytical tool adopted was Pearson's Product Moment Correction and P-value. The result shows positive values for level of service Quality (r = 38.2%), Level of Firm Expansion (r = 88%), Level of Firm Sustainability (r = 48%), Educational

Qualification of Apprentice (r = 10.1%) and a negative value for Age of Apprentice (r = -5.5%). The implication is that microbusinesses engagement of youthful apprentices enhances their positive performance and should be explored by more microbusinesses.

Fajobi, Olatujoye, Amusa, and Adedoyin (2017) examined the "challenges of apprenticeship development and youth unemployment in Nigeria." The study seeks to understand the importance of apprenticeship training to development in Nigeria, the factors responsible for the decline in apprenticeship development, and the career implications for youth engaging in apprenticeship. The study used the Parson Functional Perquisite Postulate and Modernization Theory to advance the matter. The research work engages a cross-sectional research approach that combines questionnaires and in-depth interviews (IDIs) to source useful information from selected wards in Ife-East Local Government, Osun State. The cluster sampling technique was used in selecting 150 respondents for the administration of the questionnaire, while purposive sampling was adopted in selecting 10 interviewees. The data were analyzed using descriptive and content analyses. Findings from the study revealed the Nigerian economy cannot develop until apprenticeship is encouraged among youths, and among other recommendations, it was strongly recommended that an incentive be started for youth who want to engage in skill acquisition and apprenticeship.

Anigbogu, Onwuteaka, and Okoli (2019) studied "the Igbo man perspectives of apprenticeship and entrepreneurial development in southeast Nigeria: implications for economic growth" using the Principal Components Analysis (PCA) and the regression model of the Ordinary least squares (OLS). A total sample of 482 SMEs owners of Igbo extraction were the respondents of this study, using a questionnaire as the instrument for data collection. Descriptive design and purposive or judgemental sampling were adopted by the researcher. As a result of the PCA, the principal part that serves as motivation for apprenticeship by Igbo entrepreneurs is the cash infusion given to apprentices as start-up capital. Second, the principal part of the Igbo man perspective on factors influencing entrepreneurial development is tolerance for risk, and third, the principal part of the challenges in the Igbo man apprenticeship system is that apprentices sometimes steal from their masters and add to their start-up capital. Regression results revealed that all three coefficients (motivations for apprenticeship by Igbo entrepreneurs; Igbo man perspective of factors influencing entrepreneurial development; and challenges in the Igbo man apprenticeship system) have a significant effect on entrepreneurial development in southeast Nigeria. The study recommends that the government of Nigeria and Africa, by extension, should adopt the practice of the Igbo man apprenticeship system and entrepreneurial development in southeast Nigeria as a strategy for the development of African entrepreneurship.

Setiawati and Riyanto (2011) investigated "the importance of an apprenticeship training program as the backbone of the high-value leather products industries at TanggulanginSidoarjo, Indonesia." The goal of this research was to discover the role of human resource development programs in the growth of SMEs in Indonesia. The industries of high-value leather products have been selected because some products have been exported and leather products have become an important export's product for Indonesia. Using the descriptive statistics methods, questionnaires have been distributed to the companies within the selected industry. The result shows that 45 percent of the respondents said that employees have no involvement in the making of the design, and 58 percent of the respondents said that the government doesn't actively participate in the training program for the employees in the industries. The study suggests the government should have more programs for apprenticeships to support the growth of the leather industry. They can build the center for training to create designs for products.

Ezenwakwelu, Egbosionu, and Okwo (2019) examine the effects of apprenticeship training on entrepreneurship development in developing economies: A case study of the Nigerian apprenticeship system. The study seeks to determine how apprentices acquire technical and entrepreneurial skills for self-employment, assess the extent to which apprentices acquire entrepreneurial skills and knowledge for entrepreneurship development, and identify the challenges faced by apprentices in the course of skill acquisition. The study adopted a survey design and interviewed apprentices in specific vocations. The sampled data were analyzed using the Chi-square technique in the Statistical Package for Social Science (SPSS v.20). The results reveal that apprentices acquire technical and entrepreneurial skills for self-employment through formal and informal apprenticeship training systems; lack of qualified manpower, insufficient training tools, inadequate infrastructure facilities, and a lack of start-up capital impede the course of skill acquisition; and apprentices ultimately acquire sufficient entrepreneurial skills and knowledge for entrepreneurship development. The study recommends that the government should provide physical, financial, and moral support for apprenticeship training to boost entrepreneurship development.

## Methodology

### Research Design

A survey research design was applied because it analyses only a portion of the target population in such a way that the only portion so chosen for analysis could be deemed to be a true representative of the whole population.

### Sources of Data

There are two sources of data collection techniques. primary and secondary data collection techniques, Primary data collection was done using a questionnaire and

an interview. Secondary data was collected from books, online publications, and journals. This is also referred to as "data mining."

**Population of the Study**

The population of this study comprises the masters (who have apprentices) in fifteen (15) markets that are under study. The reason for concentrating on the masters (that have apprentices) is because the variables under study require somebody with key knowledge of the system (graduates and practitioners). The researcher selected five (5) markets from each state (Abia, Anambra, and Imo) under study.

**Table 1 List of Selected Markets and Population of the Study**

| S/N | MARKETS | *MASTERS |
|---|---|---|
| 1 | Ariaria International Market – Aba | 729 |
| 2 | New Market – Aba | 547 |
| 3 | Ekeoha Market – Aba | 677 |
| 4 | Cemetery Market – Aba | 574 |
| 5 | Alaoji Market – Aba | 834 |
| 6 | Onitsha Main Market – Onitsha | 1126 |
| 7 | Ojidi building Market – Onitsha | 1126 |
| 8 | Inter. Electronic Market – Onitsha | 1126 |
| 9 | NkwoNnewi Market – Nnewi | 601 |
| 10 | Ochanja Inter. Market – Onitsha | 826 |
| 11 | Alaba Inter. Market – Owerri | 391 |
| 12 | Idustrial Cluster Naze – Owerri | 378 |
| 13 | Timber Market Naze – Owerri | 404 |
| 14 | Malaysia Market – Obowo | 352 |
| 15 | Relief Market Owerri | 143 |
| **Total** | | **9806** |

*Source: Market Union Registers, 2022*

*Masters that are registered with the market union and also have their apprentices registered.

The total population of the study is 9,806 Masters.

**Sample Size and Sampling Technique**

The sample size was determined based on the application of Taro Yamane formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where: n = Sample Size

N = Population (9806)

E = Margin of Error 5% or 0.05

1 = constant

n = 9806

$$n = \frac{1 + 9806(0.05)^2}{\frac{9806}{25.515}}$$

n = 384

Using the sample proportionate formula/method, the sample size distribution of the respondents across each market in the states is given below:

$$nhi = \frac{(Nhi)(Ni)}{N}$$

Where: nhi = sample size for each market

Nho = General sample size (384 ÷ 3) = 128 for each state

Ni = Population Size of each market

N = Total population of market in each state (Abia – 3334, Anambra – 4805 and Imo – 1667).

**Table 2 Sample Size of the Study According to Market**

| S/N | MARKETS | *MASTERS |
|---|---|---|
| 1 | Ariaria International Market – Aba | 28 |
| 2 | New Market – Aba | 21 |
| 3 | Ekeoha Market – Aba | 26 |
| 4 | Cemetery Market – Aba | 21 |
| 5 | Alaoji Market – Aba | 32 |
| 6 | Onitsha Main Market – Onitsha | 30 |
| 7 | Ojidi building Market – Onitsha | 30 |
| 8 | Inter. Electronic Market – Onitsha | 30 |
| 9 | NkwoNnewi Market – Nnewi | 16 |
| 10 | Ochanja Inter. Market – Onitsha | 22 |
| 11 | Alaba Inter. Market – Owerri | 30 |
| 12 | Idustrial Cluster Naze – Owerri | 29 |
| 13 | Timber Market Naze – Owerri | 31 |
| 14 | Malaysia Market – Obowo | 27 |
| 15 | Relief Market Owerri | 11 |
| **Total** | | **384** |

***Source: Sample size Computation (see appendix II)***

In selecting the samples from the population, the researcher adopted simple random sampling and criterion purposive sampling technique. Simple random sampling was done by balloting. Criterion purposive sampling was adopted because the participants acceptable are masters only that undergo Igbo Apprenticeship System. So, any sample that did not fit the criteria is replaced.

**Instruments for Data Collection**

In carrying out this study, researchers adopted structured questionnaire for data collection and it contained fifty-seven (57) items based on the research objectives (independent and dependent variable). The questionnaire was divided into two (2) main parts. Part A was structured to obtain personal data from the respondents. This assisted the researcher identify the group. Part B sought to elicit information aimed at providing answers to the research questions considered in the study. Part B was further sub-divided into five sections A, B, C, D and E based on the objectives of the study/ research questions. The researcher developed the research instrument using a Four (4) point Likert scale of strongly agree (4 points), agree (3 points), disagree (2 points) and strongly disagree (1 point). Using the four-point likert scale, the questionnaire was coded with nominal values assigned to each possible response that is expected from the respondents. Each of the items was scored on the basis of this code and analysed.

**Reliability of Measuring Instrument**

Reliability analysis is used to define whether the items appropriately construct and interpret one idea in a unique way possible. Cronbach's alpha is used to verify the variable's internal consistency and reliability. According to (Ali &Onuzulike, 2020), if the value of Cronbach's alpha is higher than 70 percent, it indicates that model measurement is overall reliable. If the value of Alpha is between 70 and 90 percent, the model is deemed truly reliable whereas Alpha's value below 60 percent is indicated opposite and the data is considered unreliable further investigation is required to check and validate this data. Results of Cronbach's alpha showed that Apprenticeship Training has 94.5%, Financial Literacy has 95.4%, Trade Knowledge has 94.8%, and Business Growth has 81%, and all these above results show that data is acceptable and reliable for further statistical analysis

**Table 3: Reliability Analysis**

| | **Cronbach Alpha** | **No. of Items** | **Composite Reliability** |
|---|---|---|---|
| Apprenticeship Training | 0.945 | 5 | 0.765 |
| Financial Literacy | 0.954 | 5 | 0.835 |
| Trade Knowledge | 0.968 | 5 | 0.725 |
| Business Growth | 0.810 | 5 | 0.904 |

*Source: SPSS (23)*

**Validity of Measuring Instrument**

According to Asika (2004), validity of a measuring instrument is the ability of the instrument to measure what it is meant to measure. After running the Validity

analysis in SPSS we get results that explain no value has been lower than .7 so they are conversion on their variables.

**Method of Data Analysis**

Descriptive statistical tools were used in analysing the data collected from the questionnaire and interviews conducted and for test hypotheses; Pearson Product-Moment Correlation Coefficient (PPMCC) was used to ascertain the nature of relationship that exist between the dependent variables and the independent variables.

The Pearson Product-Moment Correlation Coefficient statistical tool was applied with the use of Software Package for Social Science (SPSS).

**Data Presentation and Analysis**

**Test of Hypotheses**

**Hypothesis One**

**Ho 1:** Practical training is not significantly related with expert trade knowledge

**HA1:** Practical training is significantly related with expert trade knowledge

**Table 4: Correlation Result on Practical Training and Expert Trade Knowledge**

| | | Practical Training | Expert Trade Knowledge |
|---|---|---|---|
| Practical Training | Pearson Correlation | 1 | .862** |
| | Sig. (2-tailed) | | .000 |
| | N | 276 | 276 |
| Expert Trade Knowledge | Pearson Correlation | .862** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 276 | 276 |

***Correlation is significant at 0.05level (2-tailed)*

*Source: Researcher computation using SPSS 23*

Table 4 shows the correlation analysis and the hypothesis test for the relationship between practical training and expert trade knowledge. From the table, the correlation coefficient is .862 and the probability value (p-value) is .000 which is lesser than the level of significance of .05. The results established that there is a statistically significant relationship between practical training and expert trade knowledge in Southeast, Nigeria. Hence, we accept the research hypothesis.

**Hypothesis Two**

**Ho 2:** Financial literacy has no significant relationship with business growth.

**HA 2:** Financial literacy has significant relationship with business growth.

**Table 5: Correlation Result on Financial Literacy and Business Growth**

| | | Financial Literacy | Business Growth |
|---|---|---|---|
| Financial Literacy | Pearson Correlation | 1 | .904** |
| | Sig. (2-tailed) | | .000 |
| | N | 276 | 276 |
| Business Growth | Pearson Correlation | .904** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 276 | 376 |

***Correlation is significant at 0.05level (2-tailed)*
*Source: Researcher computation using SPSS 23*

Table 5, shows the correlation analysis and the hypothesis test for the relationship between financial literacy and business growth. From the table, the correlation coefficient is .904 and the probability value (p-value) is .000 which is lesser than the level of significance of .05. The results established that there is a statistically significant relationship between financial literacy and business growth in Southeast, Nigeria. Hence, we accept the research hypothesis.

**Discussion of findings**

Hypothesis one evaluates the relationship between the practical training and the expert trade knowledge. The analysis revealed that there is a significant positive relationship between practical training and expert trade knowledge. This signifies that the practical training apprentice get from the system is of standard as expert and addressing the product of apprenticeship system as quack is a deliberate attempt to demarket the system. The findings are in agreement with the human capital theory of Berekor (1964) and also with the findings of Fajobi et.al (2017). Fajobi et.al (2017) established that, Nigeria economy cannot develop until apprenticeship is encouraged among the youths, therefore investment in human capital is profitable.

The result of hypothesis two, financial literacy and business growth also reveals that during the apprenticeship period, the apprentices are given financial literacy training which help them in ensuring sound financial management and book keeping. Their system of financial recording is something financial expert need to learn how they keep store of all their financial transaction in their sales book. Looking into some of their sales books, the researcher can hardly decode what they record in the book but they all understand every detail in the book. This finding, supports the findings in the work of Kanu (2019) which revealed that apprentice in the cause of their training, their master trained them to be financially prudent and articulate.

**Summary of Findings**

Based on the results of the analyses, the summary is presented as follows:

1. Practical training is significantly related to expert trade knowledge in the south-east of Nigeria (r = 0.862 and P-value = 0.000). This relationship could be said to be significant and direct because, as the apprentices are given on-the-job training by the master, they gradually become experts in the trade or craft and therefore create wealth.
2. At r = 0.904, a significant positive relationship exists between financial literacy and business growth in south-east Nigeria. The result established that the financial literacy training given to apprentices during their apprenticeship training contributes to the growth of their businesses.

## Conclusion and Recommendation

Given the insight gained from the research work and its findings, the study concludes that the apprenticeship system in southeast Nigeria is a complete package for human capital development. And it is structured in such a way that it provides the apprentices with expert trade knowledge. The skills being transmitted from master to apprentice are classified as tacit knowledge, "secrets of the trade," or savoir-faire that guide the operation of any business.

Based on the findings of the study, the following recommendations were put forward: practical (vocational) training should be encouraged among the youth, and financial literacy is very vital in wealth creation.

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